SURFACE TRANSPORTATION BOARD

Washington, DC 20423-0001

Office of Economics, Environmental Analysis, and Administration

February 17, 2004

The Honorable Henry Bonilla U.S. House of Representatives 1120 Wurzbach, Suite 300 San Antonio, TX 78230

Re:

STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX

Dear Congressman Bonilla:

Thank you for your January 27, 2004 letter forwarding correspondence from Dr. Lynn Kitchen, Principal Scientist representing the Medina County Environmental Action Association (MCEAA) to Vernon Williams, Secretary of the Surface Transportation Board, regarding the Board's environmental review of Southwest Gulf Railroad Company's (SGR) proposed rail line construction and operation in Medina County, Texas. In his letter, Dr. Kitchen states that he believes the Board has not adequately considered the concerns of the public when it decided to prepare an Environmental Assessment (EA) rather than an Environmental Impact Statement (EIS). Secretary Williams has forwarded your correspondence and Dr. Kitchen's letter to me and asked that I respond.

The Board's Section of Environmental Analysis (SEA), which is the office within the Board responsible for conducting the environmental review process pursuant to the National Environmental Policy Act and related environmental regulations, is currently conducting an environmental review of SGR's proposed rail construction and operation. Based on concerns raised in the numerous public and agency comments received to date, SEA has recently determined that the effects of the proposed project on the quality of the human environment are likely to be highly controversial, and that preparation of an EIS rather than an EA is appropriate. I have enclosed copies of the Notice of Intent to prepare an EIS and the draft scope of study for the EIS, which serve as SEA's official notification that the Board will be preparing an EIS for this proceeding.

In addition to publishing these documents in the <u>Federal Register</u> (on January 28, 2004) and serving these documents on all parties of record, SEA also distributed these documents to appropriate elected officials, agencies, tribes, and local organizations, such as MCEAA, as well as members of the public who have expressed interest in the environmental review process, and is soliciting written comments on this draft scope of study. Comments are requested by February

26, 2004. After the close of the comment period on the draft scope of study, SEA will review all comments received and then issue a final scope of study for the EIS.

Following the issuance of the final scope of study, SEA will prepare a Draft EIS (DEIS) for the project. The DEIS will address those environmental issues and concerns identified during the scoping process. It will also contain SEA's preliminary recommendations for environmental mitigation measures. Upon its completion, the DEIS will be made available for public and agency review and comment for at least 45 days. A public meeting will also be held during the comment period for the DEIS. The details of the public meeting, including the specific format, location, and date, will be available in the DEIS. SEA will then prepare a Final EIS (FEIS) that addresses the comments on the DEIS from the public and agencies. Then, in reaching its decision in this case, the Board will take into account the DEIS, the FEIS, and all environmental comments that are received.

In sum, in determining to prepare an EIS for this proceeding, SEA has taken careful note of the comments submitted by members of the public. Moreover, SEA is taking every step to ensure that there will be ample opportunity for public participation during the EIS process.

I appreciate the opportunity to be of assistance. If I may be of further assistance, please do not hesitate to contact me or Ms. Rini Ghosh of my staff.

Sincerely.

Victoria Rutson.

Chief

Section of Environmental Analysis

Enclosure